

Key Information Document – CFDs on ETFs

Purpose This document provides you with key information about this investment product. It is not marketing or legally binding material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of investing in this product and to help you compare it with other products. Before deciding to open an account, we suggest that you read the whole document together with our terms and conditions.

Product 50KCY LTD, previously 50CoinsCY Ltd, (the “Company” or “50K”), the manufacturer of this complex financial product, is authorized and regulated by the Cyprus Securities and Exchange Commission with CySEC Licence no. 282/15 and Head Office at Griva Digeni 2, Pamelva Court, Office 204, 3035, Limassol, Cyprus. For more information visit www.50k.trade, our App 50K, email us on Support@50k.trade, or call +357 25 221 977.

This document was last updated in December 2024.

Alert You are about to trade on a market that is not simple and may be difficult to understand.

What is this product?

Contract for Differences (“CFDs”) on ETFs

Trading CFDs on ETFs enables investors to have exposure to fluctuations related to the price performance of the underlying Share without physically owning it. By trading on CFDs on ETFs, you do not own the ETF, nor receive the ETF at any point during the duration of the trade or after. You can “Buy” a CFD on a ETF (i.e. “**Long**”) if you believe that the value of the underlying ETF is going to increase, with the intention to later Sell it at a higher value. You can “Short” a CFD (i.e. “**Sell**”) if you believe that the value of the ETF is going to decrease, expecting to later buy it back at a lower price. In both circumstances, if the ETF price moves in the **opposite direction** and your position is closed, your account would be debited for the loss of the trade (plus any relevant costs), subject to our **Negative Equity Protection**. CFDs on ETFs are not listed instruments and are traded as “**Over-The-Counter**” contracts between the client and the Company.

Trading on margin can enhance any losses or gains you make.

To open a “**Buy**” or a “**Short**” position an **Initial Margin** needs to be deposited to your account upfront.

When a “**Buy**” position is closed, the Investor will receive a sum equal to the Current Value of the position minus the Open Value of the position and any other charges (e.g.: Daily Premium).

When a “**Short**” position is closed, the Investor will receive a sum equal to the Open Value of the position minus the Current Value of the position (in absolute value) and any other charges (e.g.:Daily Premium).

The sum which you’ve received when closing a position is the Profit and Loss on your position (i.e.: “**P&L**”).

The **leverage** offered for CFDs on ETFs is 1:5.

Objectives:

The objective of CFDs on ETFs is to allow an investor to gain or lose through leveraged exposure to the movement in the value of the underlying ETF (i.e. SPY, IVV) for the period between when the contract is opened and when it is closed. The exposure is leveraged since a CFD only requires a small proportion of the notional value of the contract to be put down upfront as initial margin.

Dividend Adjustments:

If a company of which you hold CFDs on its shares distributes dividends, the Company will transfer to your balance a sum equal to your relative holding amount. Additionally, the Company will deduct a fee equal to the withholding tax rate applicable to the relevant underlying asset.

In case you are holding a short position on such a company, a sum equivalent to your relative holding shall be deducted from your balance.

The P&L of your position will also be adjusted in order to reflect the real P&L.

Who is this account most suitable for? Trading these products will not be appropriate for everyone. We would normally expect these products to be used by persons **who**:

- have high-risk tolerance;
- want to generally gain short-term exposures to financial instruments/markets, and have a diversified investment and savings portfolio;
- are trading with money which they can afford to lose;
- have experience with, and are comfortable trading on, financial markets and understand the impact of and risks associated with margin trading.

Who is this account NOT suitable for? Clients who:

- do not want to be subjected to volatile markets;
- want capital protection.

Access to your investment

- You can view your account anytime by logging onto 50K App on your mobile device.
- You can Buy and Short CFDs during market hours, on the ETFs (underlying instruments) available on the App.

Term

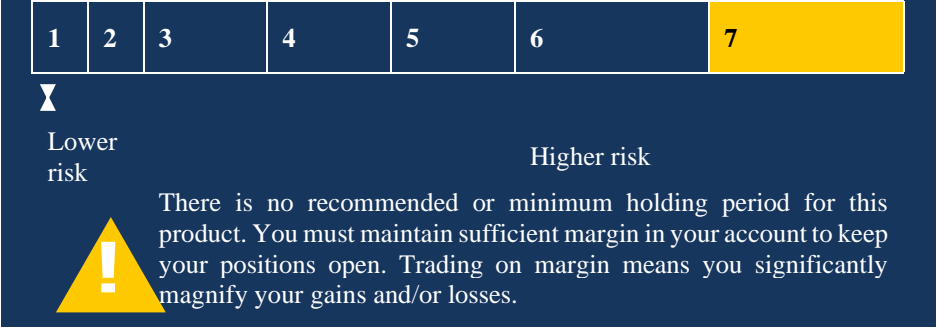
CFDs onETFs have no maturity date or recommended holding period. You decide when to open and close your positions.

With respect to retail CFD accounts, the Company may close your position without seeking your prior consent if you do not maintain sufficient margin in your account (margin close-out protection). For more information on how Margin Calls and Margin Close-Out Protection work, please review our Best Execution Policy.

The Company’s Margin Requirements can vary and can be increased temporarily to mitigate risks prior to major market events or in increasingly volatile markets. Please review the Company’s Leverage Policy on the Company’s Website for current margin requirements.

What are the risks and what could I get in return?

Risk Indicator



The summary risk indicator is a guide to the level of risk of these products compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

We have classified these products as 7 out of 7, which is the highest risk class. CFDs are leveraged products that, due to underlying market movement, can generate losses rapidly. This is because there is a very high chance that you could lose all invested funds.

Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above.

Market conditions may mean that your CFD trade is closed at a less favourable price, which could significantly impact how much you get back. We may close your open CFD contract if you do not maintain the minimum margin that is required.

This product does not include any protection from future market performance so you could lose some or all of your investment. If the Company is not able to pay you what is owed, you could lose your entire investment. However, you may benefit from a consumer protection scheme (see the section ‘What happens if the Company is unable to pay you’). The indicator shown above does not consider this protection. It is possible to lose the entire balance of your account. Retail clients are not subject to additional financial obligations if a negative balance occurs on the trading account.

In addition to market risk, there are also other risks associated with this product, including but not limited to: credit risk, foreign exchange risk, leverage risk, market disruption risk, online trading platform risk, IT risk, and liquidity risk. You should be aware of all the risks associated with CFDs, and seek independent advice if you require further clarification. Please ensure you fully understand the risks and take appropriate care to manage them. More information on the risks involved can be found in the ‘Risk Disclosure Statement’ available [here](#).

Performance Scenarios

The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and are not an exact indicator. What you get will vary depending on how the market performs and how long you hold the CFD. The stress scenario shows what you might get back in extreme market circumstances, and it does not take into account the situation where we are not able to pay you. The figures shown include all the costs of the product itself. The figures do not take into account interest charges and your personal tax situation, which may also affect how much you get back.

CFD on ETFs		SPY	Remarks
Opening Price	P	100	Will be calculated based on the Best Ask price for Buy (Long) orders, Or Best Bid price for Short (Sell).
Quantity	Q	10 Shares	
Leverage	L	5	(1:5)
Open Value (of the trade)	OV = P x Q	1000 EUR	
Initial Margin	IM = OV / L	200 EUR	
Account Currency		EUR	

Buy (LONG)						SHORT					
Buy Performance Scenario	Closing Price (Best Bid)	Price Change	Current Value [EUR]	Profit/ (Loss) [EUR]	Yield	Short Performance Scenario	Closing Price (Best Ask)	Price Change	Current Value [EUR]	Profit/ (Loss) [EUR]	Yield
Favourable	105	+5%	1,050	+50	+25 %	Favourable	95	-5%	950	+50	+25 %
Moderate	101	+1%	1,010	+10	+5 %	Moderate	99	-1%	990	+10	+5 %
Unfavourable	99	-1%	990	-10	-5 %	Unfavourable	101	+1%	1,010	-10	-5 %
Stress	95	-5%	950	-50	-25 %	Stress	105	+5%	1,050	-50	-25 %

What happens if the Company is unable to pay out? If the Company is unable to meet its financial obligations towards its clients, all eligible claimant clients' losses will be covered by the Investor Compensation Fund ("ICF") for the Clients of CIFs. The payment of compensation by the ICF shall not exceed 20.000 EUR or the 90% of the cumulative covered claims of the covered investor, whichever is lower, in total to each eligible client, irrespective of the number of accounts held, currency and place of offering the investment service. For more information, please [access our Policy](#) and/or [CySEC - ICF section](#).

What are the costs?

ONE-OFF COSTS	Spread (entry & exit)	Spread is the difference between the best ask and the best bid price. On Buy positions - Open Value will be calculated based on Best Ask price and Current value will be calculated based on Best Bid price. On short positions - Open Value will be calculated based on Best Bid price and Current value will be calculated based on Best Ask price. Spread cost is unrealized when you open a position and becomes realized when you close a position. It is variable, and its size differs depending on each financial instrument and its quotes. Prices of CFDs as well as their commercial terms like the spreads may be varied by the Company to reflect periods of actual or expected heightened market volatility and reduced liquidity.
	Buy/Sell fee (Transaction Fee)	None.
	Assets Under Management Fee	None.
	Currency Conversion	A currency conversion spread will be charged for converting any funds moving into or out of your balance, that are denominated in a different currency to the currency in which your account is denominated.
	Dividend Fee	A fee equivalent to the withholding tax rate applicable to the relevant underlying asset.
ONGOING COSTS	Daily Premium	A daily premium charge on all open positions. Premium will become realized upon closing a position. In case you hold a position for part of the day, you'll be charged also for the relative portion. Premium rates are accessible per each Underlying Asset on the App.
INCIDENTAL COSTS	Deposit, Withdrawal, Transfer, Inactivity and Conversion Fees	None. *other than withdrawal fee for withdrawal sums of less than the minimum amount as specified on the Website.

How long should I hold it, and can I take money out early?

CFDs are generally not suitable for long term investments and are intended for short term trading. There is no minimum and/or recommended holding period for CFDs. You should monitor the product to determine when the appropriate time is to exit. Note that daily premium costs can eat away at positions that are held open over long periods. You can open and close a CFD at any time during market hours. Note that 50K may close your position without asking your prior consent if there is no sufficient margin level in your account. You can request a withdrawal of available funds on your account at any time.

How can I complain?

If you have a complaint, please contact the Compliance Department of the Company by email at complaints@50k.trade as shown on our Complaints Policy accessible on our website.

The Compliance Department will then issue you with an initial acknowledgment receipt of your complaint, which will include a unique reference number for your complaint, will investigate your complaint and provide you with a final decision within two (2) months from the complaint receipt. If you are not satisfied with our final response to your complaint, then you can contact the [Financial Ombudsman Service \("FOS"\) of the Republic of Cyprus](#) (<http://www.financialombudsman.gov.cy>).

Other relevant information

Further important information/documents with regards to this product such as the Company's Terms and Conditions, Client Categorisation Policy, Order Execution Policy, Risk Disclosure Statement, Conflicts of Interest Policy, Privacy Policy, Investor Compensation Fund Policy, Complaints Handling Procedures etc, can be found on our website. You should ensure that you read all our legal information displayed in the [legal section](#) of our Website. Such information is also available on request.